

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:1427

ANSWERED ON:04.08.2006

SHG MOVEMENT FOR ERADICATION OF POVERTY .

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Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) Whether the Union Government is planning for coverage of all rural poor families under the Self Help Group (SHG) movement for eradication of poverty; and

(b) If so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRIMATI SURYAKANTA PATIL)

(a) & (b) The Ministry of Rural Development is implementing a self-employment programme viz. Swarnjayanti Gram Swarozgar Yojana (SGSY) that adopts the Self-Help Group (SHG) approach to generate economic activity in rural areas and provide sustainable self-employment. SGSY focuses on organization of the poor at grass-root level through the process of social mobilization. The approach of the programme stems from the conviction that there is a tremendous potential within the poor to help themselves and that this potential can be harnessed by organizing them. Social mobilization enables the poor to build their own organization

(Self Help Groups) in which they participate fully and directly and take a decision on all issues concerning poverty eradication. Physical and financial progress under SGSY since inception i.e. 1.4.99 to 30th June, 2006 is as under:

Total allocation Central+State) (Rs. in crores)	Utilisation (Rs.in crores)	Self Help Groups SHGs) formed up (in lakhs)	SHGs that have taken economic acti. (in lakhs)	Total swarozgaris assisted (SHGs +Individual)
9532.87	7742.87	23.10	3.26	69.42

2. The performance of SGSY has been improving steadily and has now picked up substantial momentum. But the central allocations to the programme have not been able to keep pace with the progress of the programme. As a result, there is a backlog of assistance to be provided to the beneficiaries of this programme. For the current year, the allocation is Rs.1200 crore. The Ministry has requested the Planning Commission and the Ministry of Finance to increase the allocation of the programme from the present Rs.1200 crore to Rs.4400 crore during the current year, to clear the backlog of the past years and then to move on to handle much larger challenges during the XI Plan period.

3. To comprehensively address the issue of rural poverty, the Ministry believes that it would be necessary to bring at least one member of every rural Below Poverty Line household into SHG movement. It has been estimated that it would call for an investment of Rs. 47,489.25 crore. This matter has been taken up with both the Planning Commission as well as the Ministry of Finance for consideration of enhancement of allocation during the XI Plan period. Much would depend upon the budgetary allocations, however.